

CITY OF TIGARD, OREGON

RESOLUTION NO. 04- 54

CITY COUNCIL ADOPT A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A MEDICAL SAVINGS ACCOUNT/VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION ("MSA VEBA") PLAN FOR THE MANAGEMENT/SUPERVISORY/CONFIDENTIAL AND THE SEIU/OPEU EMPLOYEE GROUPS

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WHEREAS, the Internal Revenue Code, Section 501(c)(9) allows for the creation of a voluntary employees' beneficiary association which is an employee sponsored, tax-exempt health and welfare trust; and

WHEREAS, such tax-exempt plans are available for public sector employees in the Northwest; and

WHEREAS, in 1999 an amended and restated "Voluntary Employees' Beneficiary Association Medical Expense Plan for Public Employees in the Northwest" Trust dated November 19, 1999 ("the Trust"); and

WHEREAS, the City of Tigard ("the City") has determined that establishing a medical expense reimbursement plan, which provides a tax-free account for employees to pay for medical, dental, vision, and tax qualified long term care expenses that are not paid by any other insurance plans, is in the best interest of the City and its employees; and

WHEREAS, the City desires to establish a medical expense reimbursement plan for its Management/Supervisory/Confidential and SEIU/OPEU employee groups; and

WHEREAS, the City desires to use the services of the MSA VEBA Trust to administer such plan; and

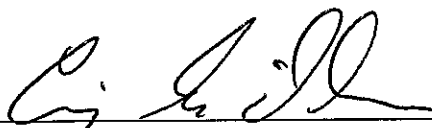
WHEREAS, such medical expense reimbursement plan established by the City will be administered in accordance with the plan documents provided by the MSA VEBA Trust on file in the City office.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

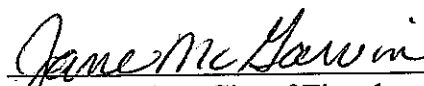
- SECTION 1.      Effective July 1, 2004, the City hereby elects to participate in the Trust as presently constituted or hereafter amended using the MSA VEBA Trust as its plan administrator, and establishes the MSA VEBA program for all eligible City employees in the Management/Supervisory/Confidential and SEIU/OPEU employee groups.
- SECTION 2.      The Plan will be funded by employer contributions.
- SECTION 3.      The City Council retains the right to modify or repeal this medical expense reimbursement plan at its discretion without prior notification to the City's employees.

SECTION 4. This resolution is effective July 1, 2004.

PASSED: This 27<sup>th</sup> day of July 2004.

  
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Mayor - City of Tigard

ATTEST:

  
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City Recorder - City of Tigard  
Jane McGarvin, Deputy City Recorder